

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6093

BILL NUMBER: HB 1207

NOTE PREPARED: Nov 1, 2004

BILL AMENDED:

SUBJECT: Handgun Permits and Transfers.

FIRST AUTHOR: Rep. Smith V

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill prohibits the issuance of a license to carry a handgun to a person less than 21 years of age (instead of 18 years of age). The bill prohibits a person from transferring the ownership or possession of a handgun or firearm that shoots more than one shot by a single function of the trigger to a person less than 21 (instead of 18).

Effective Date: July 1, 2005.

Explanation of State Expenditures: Under current law, issuing a handgun license to a person prohibited from having a license is a Class B misdemeanor, and a person less than 18 is prohibited from having a license. Under the bill, a person under 21 would be prohibited from having a handgun license. Also, under current law, transfer or sale of a handgun to a person under 18 is a Class C felony. Under the bill, the age restriction would be raised to 21. As of November 2004, 301,084 active handgun licenses have been issued in Indiana. Of this total, 3,214 have been issued to individuals in the 18- to 20-year-old age bracket.

The proposal could result in an increase in individuals convicted of a Class C felony. A Class C felony is punishable by a prison term ranging from two to eight years depending upon mitigating and aggravating circumstances. The average expenditure to house an adult offender was \$21,514 in FY 2004, ranging from a low of \$16,645 to a high of \$49,281. (This does not include the cost of new construction.) If offenders can be housed in existing facilities with no additional staff, the average cost for medical care, food, and clothing is approximately \$1,825 annually, or \$5 daily, per prisoner. The estimated average cost of housing a juvenile in a state juvenile facility was \$59,574, with the costs ranging from a low of \$52,420 to a high of \$77,674. The average length of stay in Department of Correction (DOC) facilities for all Class C felony offenders is

approximately two years.

Explanation of State Revenues: If additional court cases occur and fines are collected for the Class C felony or Class B misdemeanor, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class C felony is \$10,000, and it is \$1,000 for a Class B misdemeanor. Criminal fines are deposited in the Common School Fund. If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund.

Additionally, by raising the legal age of handgun licensing from 18 to 21, fewer permits would be issued annually, which would result in an annual revenue loss to the state General Fund. The State Police charge a fee of \$15 for an unlimited handgun license.

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Explanation of Local Expenditures: A Class B misdemeanor is punishable by up to 180 days in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44. If more defendants are detained in county jails prior to their court hearings, local expenditures for jail operations may increase.

Explanation of Local Revenues: If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: State Police, Department of Correction.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Indiana Sheriffs' Association; Department of Correction; Steve Hillman, Indiana State Police.

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